

## Annex A: Case scenarios

### ***Case 1: Elderly household right-sizing to a short-lease 2-room Flexi unit, who receives help through the Deferred Downpayment Scheme and Temporary Loan Scheme***

Mr and Mrs M (both aged 55) apply for a short lease 2-room Flexi unit in Woodlands in the May 2017 BTO exercise, to right-size from their current 4-room flat. They are not eligible to take up any housing loan for the purchase of their 2-room Flexi unit, and will have to finance the flat purchase with cash or CPF savings.

They proceed to book a new short lease 2-room Flexi flat, and sign the Agreement for Lease. Under the ***Deferred Downpayment Scheme***, they only need to pay the stamp duty and legal fees. They can defer the downpayment of 10% of the flat purchase price until key collection.

When their 2-room Flexi flat is nearing completion a few years later, they are notified that the keys to their new flat will be ready in a few months' time. Mr and Mrs M then make plans to sell their existing 4-room flat on the resale market. They successfully find a flat buyer and submit their resale application. Thereafter, Mr and Mrs M apply for the ***Temporary Loan Scheme*** to get a temporary loan to help pay for their new flat purchase. HDB will disburse the temporary loan after they have attended the first resale appointment for the sale of their 4-room flat. With this temporary loan provided by HDB, Mr and Mrs M proceed to collect the keys to their new 2-room Flexi flat.

Once the sale of their old 4-room flat is completed, Mr and Mrs M will use the net proceeds to redeem the temporary loan granted by HDB.

### ***Case 2: Household not taking a housing loan for the purchase of their new flat, receives a temporary loan under the Temporary Loan Scheme***

A couple, Mr and Mrs X, apply for a 4-room BTO flat in Yishun during the May 2017 BTO exercise. They choose not to take up any housing loan as they intend to fully pay for the purchase of their BTO flat using the net proceeds from the sale of their existing 4-room flat.

The couple books a 4-room flat and pays the 10% downpayment, stamp duty, and legal fees when they sign the Agreement for Lease.

A few years later, they receive notification that their new flat will be completed in a few months' time. They start to market their existing flat and submit their resale application after finding a flat buyer. When the keys to their new flat are available for collection, they apply for the ***Temporary Loan Scheme*** to help pay for their new flat purchase. HDB will disburse the temporary loan after they have attended the first resale appointment for the sale of their old 4-room flat. The temporary loan will be fully redeemed upon resale completion, using the CPF refund and cash proceeds.